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MEDICAID MEMO

TO: Virginia Medicaid Participating Healthcare
Providers and Managed Care Organizations

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

DATE: 2/9/2007

SUBJECT: Atypical Provider Identifier (API) Update: DMAS Dual Use Period –
March 26 - May 22, 2007

The purpose of this Medicaid Memorandum is to update non-healthcare providers about the Department of Medical Assistance Services' (DMAS) Atypical Provider Identifier (API) Dual Use Implementation. This is the fourth in a series of API Medicaid Memorandums, with previous communications published on February 27, 2006, October 4, 2006, and January 19, 2007.

DMAS has adopted the API as the standard for identifying non-healthcare providers on all transactions (Automated Response System, Claims, Prior Authorizations, etc.), including paper claim submissions.

ATYPICAL PROVIDER ENUMERATION

You have been identified as an "Atypical Provider". An Atypical Provider is a provider that does not meet the HIPAA definition of a "health care provider" (45 CFR 160.103). As such, DMAS will assign an Atypical Provider Identifier (API) for you to use in place of your existing Medicaid Provider Identification Number for all Medicaid business transactions. Your 10-character API will be communicated to you through an API Enumeration Letter that will be sent to you via the United States Postal Service in late February 2007, prior to the Dual Use period. Please look for this letter. If you do not receive your API, please call the First Health Services Provider Enrollment Unit (PEU) at 1-888-829-5373 (In-state, toll free) or 1-804-270-5105 (Outside Virginia).

DUAL USE PERIOD

DMAS will support a Dual Use period beginning on March 26, 2007, and continuing through May 22, 2007. During this period, DMAS will allow use of either the current Medicaid Provider Identification Number or the API for both electronic and paper claim submissions. All claims

submitted with an API will be processed using the API. Claims submitted with only the Medicaid Provider Identification Number will continue to be processed using this number. However, it is important to note that claims submitted with both an API and a Medicaid number will be processed using only the API beginning March 26, 2007. If you submit an electronic 837 claim transaction that includes your API, and you are receiving an electronic 835 remittance advice, your remittance will be generated utilizing the API from your claim.

The Dual Use period will allow providers a period of time to verify that they are able to successfully transition to and use the API in all transactions. Providers will be able to continue using their current Medicaid Provider Identification Numbers if they do encounter any problems that need to be resolved during the Dual Use period. The Dual Use period also allows providers a window of time to transition to the API instead of being required to convert on the May 23, 2007 API Compliance Date. After May 22, 2007, providers will no longer have the option of using their Medicaid Provider Identification Number as a contingency. Providers are strongly encouraged to take advantage of the Dual Use period and begin using APIs on all transactions instead of waiting until the API Compliance Date. This will ensure that there is no disruption in the processing of claims and payments to providers on May 23, 2007.

Beginning with API Compliance on May 23, 2007, DMAS will accept claims with only an API. After May 22, 2007, DMAS will accept the Medicaid Provider Identification Number only in rare situations from providers who do not have an API (for example, because the provider has retired) **and** the date(s) of service on the claim is prior to May 23, 2007. In this situation, a claim or adjustment with a Medicaid Provider Identification Number must be submitted on a paper claim form.

PRIOR AUTHORIZATIONS

Dual Use will also apply to prior authorizations. During the Dual Use period, providers can use either the API or Medicaid Provider Identification Number to obtain prior authorizations. If claims are submitted using the API, the prior authorizations against which the claims are submitted can contain either the API or the Medicaid Provider Identification Number. **Providers do not need to take any action on open prior authorizations containing Medicaid Provider Identification Numbers even if APIs are being submitted on the claim.** A crosswalk will be in place to match claims to prior authorizations.

CLAIMS STATUS INFORMATION

During the Dual Use period, the web-based Automated Response System (ARS), MediCall, and the EDI Batch 276-277 can be accessed using either the API or Medicaid Provider Identification Number. Claims status information requested using a Medicaid Provider Identification Number will only return responses for claims submitted using a Medicaid Provider Identification Number. However, if claims status information is requested using the API, all claims that match the request criteria will be returned on the response, including both claims submitted with the API and claims submitted with Medicaid Provider Identification Numbers. In the latter case, the response will be formatted using only the API as the Provider Identifier.

BILLING INSTRUCTIONS

The Billing Forms and Instructions have changed with the use of API. Please refer to the Provider Manuals and EDI Companion Guides for detailed billing instructions:

- Provider Manuals: http://www.dmas.virginia.gov/prm-provider_manuals.htm
- EDI Companion Guides: <https://virginia.fhsc.com/hipaa/CompanionGuides.asp>

DMAS is also requiring the use of **nine** digit zip codes on all claim submissions. Following these instructions will help facilitate correct claim payment.

ADVANCE PAYMENTS

DMAS will not issue advance payments to providers who have not implemented the necessary changes in order to bill using the API or have not billed correctly using their API.

This applies to all transactions conducted during the Dual Use period and after the May 23, 2007 API Compliance Date, including electronic transactions, the CMS-1500 (08-05), and the UB-04. In these situations, DMAS will deny the claim and providers will need to re-bill correctly in order for payments to be processed.

AUTOMATED RESPONSE SYSTEM (ARS)

Registration for the new NPI Compliant User Administration Console (UAC) of the Automated Response System (ARS) is being implemented on February 19, 2007. Please refer to the January 19, 2007 Medicaid Memo (http://www.dmas.virginia.gov/pr-medicaid_memos_providers.htm) regarding the new web site for the ARS and National Provider Identifier (NPI) Compliance for the ARS.

The current version of the ARS will continue to be available through May 22, 2007, for users registered prior to March 19, 2007. All providers may begin registering to use the new ARS web site beginning February 19, 2007. The new ARS will allow access to claims status for bills submitted using an NPI or API once the Dual Use period begins on March 26, 2007.

All current ARS web site users will be required to enroll at <https://virginia.fhsc.com/> and begin using the new ARS web site no later than May 22, 2007 in order to be NPI Compliant.

Once users have successfully completed the registration process for the UAC, they may not begin to utilize its enhanced capabilities in conjunction with the NPI Compliant ARS until March 26, 2007. All users must continue using their existing ARS access until March 26, 2007, in order to obtain claims and eligibility information online.

NPI/API TRAINING AND EDUCATION

DMAS is conducting Web-Based Q&A sessions on topics associated with NPI/API such as group enrollment, billing, taxonomy, new claim forms (CMS 1500 and UB-04) and many other NPI/API related topics. Visit the DMAS Learning Network at http://www.dmas.virginia.gov/LN-upcoming_events.htm for additional details on the new “WebEx” Web-Based training as well as other DMAS training opportunities.

DMAS has a comprehensive NPI/API section on the DMAS website. You should visit http://www.dmas.virginia.gov/NPI-home_page.htm often for frequently asked questions and NPI/API related updates.

DMAS will continue scheduling NPI/API related trainings around the state on an ongoing basis in February. For more information visit our website at <http://www.dmas.virginia.gov/LN-home.htm> or call 804-786-1428 for training dates, times, and locations in your area.

DUAL USE SUPPORT

In the event that providers encounter problems using the API during the Dual Use period, the following resources will be available to assist you:

Claims Status, Recipient Eligibility, MediCall

DMAS Provider Helpline:	1-804-786-6273	Richmond area and Outside Virginia
	1-800-552-8627	In-state, toll-free

EDI

First Health EDI Help Desk	1-800-924-6741
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Prior Authorizations

KePRO	1-804-622-8900	Richmond area
	1-888-827-2884	Toll-free

Provider Enrollment

First Health PEU	1-804-270-5105	Outside Virginia
	1-888-829-5373	In-state, toll free

Pharmacy Point of Sale

First Health Clinical Call Center	1-800-932-6648
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Automated Response System (ARS)

First Health Services Web Support Call Center	1-800-241-8726
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Dental Providers

1-888-912-3456
